

Senate File 2328 - Introduced

SENATE FILE 2328
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO SF 2180)

A BILL FOR

1 An Act allowing county treasurers to collect delinquent
2 taxes on behalf of the department of revenue from a person
3 renewing a vehicle registration, requiring a plan for the
4 collection of court debt by county treasurers, and providing
5 a fee.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.40, subsection 6, Code Supplement
2 2009, is amended to read as follows:

3 6. a. The department or the county treasurer shall refuse
4 to renew the registration of a vehicle registered to the
5 applicant if the department or the county treasurer knows that
6 the applicant has a delinquent account, charge, fee, loan,
7 taxes, or other indebtedness owed to or being collected by the
8 state, from information provided pursuant to sections 8A.504
9 and 421.17. An applicant may contest this action by requesting
10 a contested case proceeding from the agency that referred the
11 debt for collection pursuant to section 8A.504. The department
12 of revenue and the department of transportation shall notify
13 the county treasurers through the distributed teleprocessing
14 network of persons who owe such a charge, fee, loan, taxes, or
15 other indebtedness.

16 b. The county treasurer of the county of the person's
17 residence and in which the person's vehicle is registered,
18 in cooperation with the department of revenue, may collect
19 delinquent taxes including penalties and interest owed to
20 the state from a person applying for renewal of a vehicle
21 registration. The applicant may remit full payment of the
22 taxes including applicable penalties and interest, along with
23 a processing fee of five dollars, to the county treasurer at
24 the time of registration renewal. Upon full payment of the
25 required taxes including applicable penalties and interest,
26 the processing fee, and the vehicle registration fee, the
27 county treasurer shall issue the registration to the person.
28 A county treasurer collecting on behalf of the department of
29 revenue shall update the vehicle registration records through
30 the distributed teleprocessing network on a daily basis for
31 all persons who have paid taxes pursuant to this subsection.
32 A county treasurer shall forward all funds collected for the
33 department of revenue to the department of revenue.

34 Sec. 2. Section 321.152, Code 2009, is amended by adding the
35 following new subsection:

1 NEW SUBSECTION. 2A. The five dollar processing fee charged
2 by a county treasurer for collection of tax debt owed to the
3 department of revenue pursuant to section 321.40, subsection 6,
4 shall be retained for deposit in the county general fund.

5 Sec. 3. Section 321.153, Code 2009, is amended to read as
6 follows:

7 **321.153 Treasurer's report to department.**

8 1. The county treasurer on the tenth day of each month shall
9 certify to the department a full and complete statement of all
10 fees and penalties received by the county treasurer during
11 the preceding calendar month and shall remit all moneys not
12 retained for deposit under section 321.152 to the treasurer of
13 state.

14 2. The distributed teleprocessing network shall be used
15 in the collection, receipting, accounting, and reporting of
16 any fee collected through the registration renewal or title
17 process, with sufficient time and financial resources provided
18 for implementation.

19 3. This section does not apply to fees collected or retained
20 by a county treasurer pursuant to participation in county
21 issuance of driver's licenses under chapter 321M.

22 4. This section does not apply to processing fees charged by
23 a county treasurer for the collection of tax debt owed to the
24 department of revenue pursuant to section 321.40.

25 Sec. 4. Section 421.17, subsection 27, Code 2009, is amended
26 by adding the following new paragraph:

27 NEW PARAGRAPH. *k.* A county treasurer may collect delinquent
28 taxes, including penalties and interest, administered by
29 the department in conjunction with renewal of a vehicle
30 registration as provided in section 321.40, subsection 6,
31 paragraph "b", and rules adopted pursuant to this paragraph.
32 County treasurers shall be given access to information required
33 for the collection of delinquent taxes, including penalties and
34 interest, as necessary to accomplish the purposes of section
35 321.40, subsection 6, paragraph "b". The confidentiality

1 in cooperation with the department of revenue. The county
2 treasurer may collect the amount owed prior to issuing the
3 registration renewal. The treasurer is required to update the
4 vehicle records through the distributed teleprocessing network
5 on a daily basis for persons who have paid taxes to the county
6 treasurer and forward the amounts collected to the department
7 of revenue.

8 The bill allows the department of revenue to give county
9 treasurers access to confidential information required for the
10 collection of delinquent taxes. County treasurers are subject
11 to requirements and penalties of confidentiality laws regarding
12 tax or indebtedness information. The bill requires the
13 director of revenue to adopt rules to implement the collection
14 of delinquent taxes by county treasurers.

15 If an applicant for renewal of a vehicle registration
16 chooses to make payment to the county treasurer for delinquent
17 taxes, the applicant is required to pay a \$5 processing fee to
18 the county treasurer, which is to be deposited in the county
19 general fund.

20 The bill expresses the general assembly's intent to
21 implement the collection of court debt at the time a person
22 renews a motor vehicle registration beginning July 1, 2011.
23 The state court administrator, in cooperation with the Iowa
24 state county treasurers association, is required to develop
25 a plan to allow county treasurers to collect restitution and
26 delinquent court debt on behalf of a clerk of the district
27 court at the time a person renews a vehicle registration. A
28 report to the general assembly regarding the plan is due on or
29 before December 1, 2010.